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**UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY**

In re:

BLOCKFI INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 22-19361 (MBK)

(Jointly Administered)

**SUPPLEMENTAL NOTICE OF DEBTORS' PROPOSED ENTRY INTO
A LOAN SETTLEMENT AGREEMENT WITH BACKBONE MINING
SOLUTIONS LLC PURSUANT TO THE ORDER GRANTING DEBTORS'
MOTION FOR ENTRY OF AN ORDER (I) AUTHORIZING THE
DEBTORS TO CONTINUE SERVICING AND ADMINISTRATION
ACTIVITIES IN THE ORDINARY COURSE OF BUSINESS WITH
RESPECT TO THE DEBTORS' INSTITUTIONAL LOAN PORTFOLIO
AND GRANTING RELATED RELIEF AND (II) AUTHORIZING AND
ESTABLISHING PROCEDURES REGARDING THE RESTRUCTURING,
SETTLEMENT, OR OTHER MODIFICATIONS OF INSTITUTIONAL
LOANS AND LOAN OBLIGATIONS**

¹ The Debtors in these Chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: BlockFi Inc. (0015); BlockFi Trading LLC (2487); BlockFi Lending LLC (5017); BlockFi Wallet LLC (3231); BlockFi Ventures LLC (9937); BlockFi International Ltd. (N/A); BlockFi Investment Products LLC (2422); BlockFi Services, Inc. (5965) and BlockFi Lending II LLC (0154). The location of the Debtors' service address is 201 Montgomery Street, Suite 263, Jersey City, NJ 07302.

PLEASE TAKE NOTICE that, as set forth in the *Notice of Debtors' Proposed Entry Into a Loan Settlement Agreement with Backbone Mining Solutions LLC Pursuant to the Order Granting Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Continue Servicing and Administration Activities in the Ordinary Course of Business with Respect to the Debtors' Institutional Loan Portfolio and Granting Related Relief and (II) Authorizing and Establishing Procedures Regarding the Restructuring, Settlement, or Other Modifications of Institutional Loans and Loan Obligations* filed on January 27, 2023 [Docket No. 424] (the "Settlement Notice"), in accordance with the Loan Settlement Procedures,² the Debtors provided notice to the Notice Parties of a proposed Termination and Payoff Agreement (the "Proposed Loan Settlement Agreement") between BlockFi Lending LLC ("Lender") and Backbone Mining Solutions LLC ("Borrower") concerning a loan in the BlockFi Institutional Loan Portfolio.

PLEASE TAKE FURTHER NOTICE that Lender and Borrower have entered into an amendment to the Proposed Loan Settlement Agreement dated as of February 7, 2023 (the "Amendment"), pursuant to which Borrower has agreed to increase the payoff amount set forth in the Proposed Loan Settlement Agreement.³

PLEASE TAKE FURTHER NOTICE that no party in interest has filed an objection to approval of the Proposed Loan Settlement Agreement, and the Debtors, in consultation with the Committee, have determined that approval of the Proposed Loan Settlement Agreement as amended by the Amendment is in the best interests of the Debtors' estates and creditors.

² Except as otherwise indicated herein, capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the *Order Granting Debtors' Motion for Entry of an Order (I) Authorizing the Debtors to Continue Servicing and Administration Activities in the Ordinary Course of Business with Respect to the Debtors' Institutional Loan Portfolio and Granting Related Relief and (II) Authorizing and Establishing Procedures Regarding the Restructuring, Settlement, or Other Modifications of Institutional Loans and Loan Obligations* [Docket No. 299] (the "Settlement Procedures Order").

³ The description of the Amendment herein is provided for notice purposes only and is subject in all respects to the express provisions of the Amendment.

Dated: February 7, 2023

/s/ Michael D. Sirota

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